

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

http://www.blm.gov/ut/st/en.html



IN REPLY REFER TO: 3474 UTU-74804 (UT-9223)

FEB 2 9 2012

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DIV. OF OIL, GAS & MINING

CERTIFIED MAIL—7011 1150 0000 6739 5657 Return Receipt Requested

DECISION

Mr. Alex Walker Hidden Splendor Resources, Inc. 57 West 200 South, Suite 400 Salt Lake City, UT 84101 Coal Lease UTU-74804

Royalty Required – Wasted Recoverable Coal

In the Resource and Recovery Plan minor modification approval dated February 14, 2012, the Bureau of Land Management (BLM) stated:

"... thus leading to the eventual sealing and loss of 15,570 tons of coal. The circumstances leading to the eventual loss of coal and royalties is now being evaluated for further action."

The BLM has determined the royalty for this wasted coal is due and payable (Modified Lease UTU-74804 dated March 5, 2009, Stipulation 14). Accordingly, the BLM is submitting a request to collect the royalty to the Office of Natural Resource Revenue (ONRR).

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4, and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days after receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulation 43 CFR 4.21 (58 FR 4939, January 19, 1993) for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and the petition for a stay must also be submitted to the Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- (1) The relative harm to the parties if a stay is granted or denied;
- (2) The likelihood of the appellant's success on the merits;
- (3) The likelihood of the immediate and irreparable harm if the stay is not granted, and;
- (4) Whether the public interest favors granting the stay.

If you have any questions, please feel free to call me at (801) 539-4037.

Roger L. Bankert

Chief, Branch of Minerals

Enclosure

Form 1842-1

cc: PFO

ONRR

Utah Division of Oil Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801